



## NEWS RELEASE



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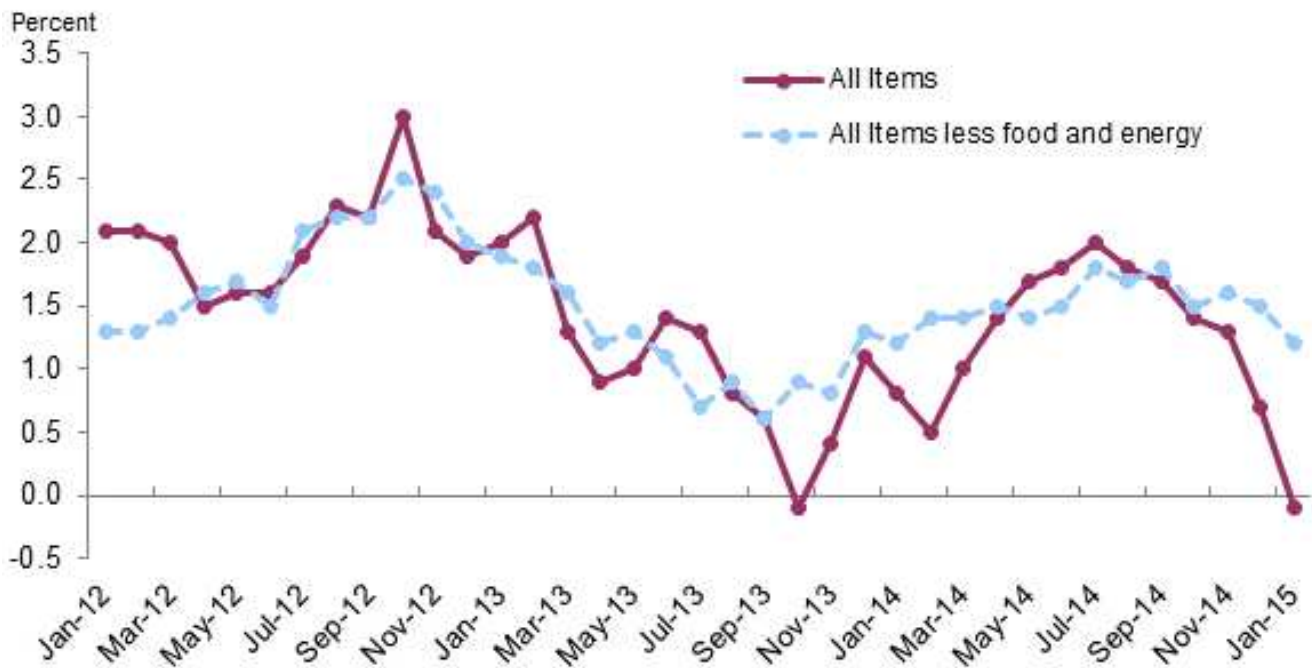
### **Consumer Price Index, Los Angeles area – January 2015**

**Area prices were down 0.3 percent over the past month, down 0.1 percent from a year ago**

Prices in the Los Angeles area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), decreased 0.3 percent in January, the U.S. Bureau of Labor Statistics reported today. (See [table A](#).) Regional Commissioner Richard J. Holden noted that the January decrease was influenced by lower prices for gasoline and electricity. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U edged down 0.1 percent. (See [chart 1](#) and [table A](#).) Energy prices dropped 19.8 percent, largely the result of a decrease in the price of gasoline. The index for all items less food and energy advanced 1.2 percent over the year. (See [table 1](#).)

**Chart 1. Over-the-year percent change in CPI-U, Los Angeles, January 2012–January 2015**



Source: U.S. Bureau of Labor Statistics.

### **Food**

Food prices advanced 0.2 percent for the month of January. (See table 1.) Prices for food at home increased 0.4 percent, while prices for food away from home were unchanged for the same period.

Over the year, food prices increased 3.7 percent. Prices for food at home moved up 4.0 percent since a year ago, and prices for food away from home advanced 3.2 percent.

### **Energy**

The energy index decreased 7.6 percent over the month. The decrease was mainly due to lower prices for gasoline (-10.6 percent). Prices for natural gas service declined 5.8 percent, and prices for electricity declined 2.8 percent in for the same period.

Energy prices dropped 19.8 percent over the year, largely due to lower prices for gasoline (-30.9 percent). Prices paid for electricity advanced 0.6 percent, but prices for natural gas service declined 2.1 percent during the past year.

### **All items less food and energy**

The index for all items less food and energy increased 0.2 percent in January. Higher prices for household furnishings and operations (0.9 percent) and apparel (0.9 percent) were partially offset by lower prices for education and communication (-0.6 percent).

Over the year, the index for all items less food and energy advanced 1.2 percent. Components contributing to the increase included shelter (3.1 percent) and other goods and services (1.4 percent). Partly offsetting the increases were price declines in household furnishings and operations (-3.3 percent) and recreation (-2.3 percent).

**Table A. Los Angeles-Riverside-Orange County CPI-U monthly and annual percent changes (not seasonally adjusted)**

Month	2010		2011		2012		2013		2014		2015	
	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual
January.....	0.4	1.8	0.9	1.8	0.8	2.1	0.8	2.0	0.5	0.8	-0.3	-0.1
February .....	0.0	1.4	0.5	2.3	0.5	2.1	0.7	2.2	0.5	0.5		
March.....	0.4	1.9	1.1	3.0	1.0	2.0	0.1	1.3	0.6	1.0		
April .....	0.2	1.9	0.5	3.3	0.0	1.5	-0.4	0.9	0.0	1.4		
May.....	0.2	1.8	0.0	3.1	0.1	1.6	0.1	1.0	0.4	1.7		
June.....	-0.2	0.9	-0.4	2.9	-0.4	1.6	-0.1	1.4	0.1	1.8		
July.....	0.1	0.9	-0.4	2.4	-0.1	1.9	-0.1	1.3	0.1	2.0		
August .....	0.2	0.8	0.2	2.4	0.6	2.3	0.1	0.8	-0.1	1.8		
September.....	-0.1	0.4	0.5	3.1	0.4	2.2	0.2	0.6	0.0	1.7		
October.....	0.3	0.7	0.0	2.8	0.8	3.0	0.1	-0.1	-0.1	1.4		
November.....	-0.4	0.7	-0.1	3.0	-1.0	2.1	-0.5	0.4	-0.7	1.3		
December.....	0.3	1.3	-0.5	2.2	-0.7	1.9	0.0	1.1	-0.5	0.7		

**The February 2015 Consumer Price Index for the Los Angeles-Riverside-Orange County is scheduled to be released on March 24, 2015.**

### Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at [www.bls.gov/cpi](http://www.bls.gov/cpi) and the *BLS Handbook of Methods, Chapter 17, The Consumer Price Index*, available on the Internet at [www.bls.gov/opub/hom/homch17\\_a.htm](http://www.bls.gov/opub/hom/homch17_a.htm).

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the

local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.

The Los Angeles-Riverside-Orange County, CA. metropolitan area covered in this release is comprised of Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties in the State of California.

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**Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Los Angeles-Riverside-Orange County, CA (1982-84=100 unless otherwise noted)**

Item and Group	Indexes			Percent change from-		
	Nov. 2014	Dec. 2014	Jan. 2015	Jan. 2014	Nov. 2014	Dec. 2014
<b>Expenditure category</b>						
All items .....	241.753	240.475	239.724	-0.1	-0.8	-0.3
All items (1967=100).....	714.245	710.470	708.250	-	-	-
Food and beverages .....	247.926	248.373	248.959	3.5	0.4	0.2
Food .....	248.145	248.592	249.162	3.7	0.4	0.2
Food at home.....	258.307	259.048	260.007	4.0	0.7	0.4
Food away from home .....	231.745	231.812	231.880	3.2	0.1	0.0
Alcoholic beverages .....	230.363	230.784	231.529	1.2	0.5	0.3
Housing .....	262.727	263.089	263.629	2.4	0.3	0.2
Shelter .....	295.807	296.369	297.583	3.1	0.6	0.4
Rent of primary residence <sup>(1)</sup> .....	309.611	310.326	311.244	3.6	0.5	0.3
Owners' equiv. rent of residences <sup>(1) (2)</sup> .....	308.348	308.752	309.388	2.7	0.3	0.2
Owners' equiv. rent of primary residence <sup>(1) (2)</sup> .....	308.346	308.746	309.380	2.7	0.3	0.2
Fuels and utilities.....	300.072	303.089	296.410	1.9	-1.2	-2.2
Household energy.....	269.234	273.371	263.239	-0.3	-2.2	-3.7
Energy services <sup>(1)</sup> .....	267.786	272.074	262.078	-0.2	-2.1	-3.7
Electricity <sup>(1)</sup> .....	314.900	314.900	305.940	0.6	-2.8	-2.8
Utility (pipel) gas service <sup>(1)</sup> .....	208.097	220.590	207.746	-2.1	-0.2	-5.8
Household furnishings and operations .....	116.528	115.178	116.202	-3.3	-0.3	0.9
Apparel.....	110.284	106.951	107.874	-0.8	-2.2	0.9
Transportation .....	197.339	189.984	184.091	-10.7	-6.7	-3.1
Private transportation .....	191.453	184.663	178.621	-11.1	-6.7	-3.3
Motor fuel.....	247.502	219.410	196.162	-30.9	-20.7	-10.6
Gasoline (all types) .....	241.999	214.466	191.752	-30.9	-20.8	-10.6
Gasoline, unleaded regular <sup>(3)</sup> .....	242.853	214.765	191.777	-31.2	-21.0	-10.7
Gasoline, unleaded midgrade <sup>(3) (4)</sup> .....	231.105	206.660	184.785	-29.5	-20.0	-10.6
Gasoline, unleaded premium <sup>(3)</sup> .....	229.091	204.481	184.240	-29.8	-19.6	-9.9
Medical care.....	421.072	424.437	424.232	0.3	0.8	0.0
Recreation <sup>(5)</sup> .....	103.032	102.267	102.217	-2.3	-0.8	0.0
Education and communication <sup>(5)</sup> .....	145.998	146.118	145.220	0.6	-0.5	-0.6
Other goods and services .....	381.349	382.251	382.703	1.4	0.4	0.1
<b>Commodity and service group</b>						
All items .....	241.753	240.475	239.724	-0.1	-0.8	-0.3
Commodities .....	175.997	173.170	171.908	-3.4	-2.3	-0.7
Commodities less food & beverages.....	137.852	133.745	131.745	-8.4	-4.4	-1.5
Nondurables less food & beverages.....	180.289	172.279	167.072	-11.5	-7.3	-3.0

Note: See footnotes at end of table.

**Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Los Angeles-Riverside-Orange County, CA (1982-84=100 unless otherwise noted) - Continued**

Item and Group	Indexes			Percent change from-		
	Nov. 2014	Dec. 2014	Jan. 2015	Jan. 2014	Nov. 2014	Dec. 2014
Durables .....	96.392	95.992	97.022	-2.8	0.7	1.1
Services .....	299.757	300.033	299.803	1.9	0.0	-0.1
<b>Special aggregate indexes</b>						
All items less medical care .....	233.785	232.363	231.600	-0.1	-0.9	-0.3
All items less shelter .....	218.208	216.134	214.533	-1.9	-1.7	-0.7
Commodities less food .....	141.936	137.941	136.014	-7.9	-4.2	-1.4
Nondurables .....	215.235	211.115	208.578	-3.6	-3.1	-1.2
Nondurables less food .....	185.311	177.759	172.880	-10.5	-6.7	-2.7
Services less rent of shelter <sup>(2)</sup> .....	313.990	313.853	311.525	0.4	-0.8	-0.7
Services less medical care services .....	288.963	289.222	288.946	2.1	0.0	-0.1
Energy .....	256.803	240.905	222.571	-19.8	-13.3	-7.6
All items less energy .....	242.528	242.302	242.822	1.6	0.1	0.2
All items less food and energy .....	241.842	241.491	242.003	1.2	0.1	0.2

<sup>(1)</sup> This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

<sup>(2)</sup> Index is on a December 1982=100 base.

<sup>(3)</sup> Special index based on a substantially smaller sample.

<sup>(4)</sup> Indexes on a December 1993=100 base.

<sup>(5)</sup> Indexes on a December 1997=100 base.

- Data not available

NOTE: Index applies to a month as a whole, not to any specific date.